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Kerry Morrison

April 28, 1998

TO:

Mike Vitkievicz, Manager Special Assessment Unit

Office of the City Clerk

FROM:

Kerry Morrison
Executive Director

Hollywood Entertainment District

SUBJECT:

First Quarter Report

January 1, 1998 through March 31, 1998

As is required in our Agreement with the city of Los Angeles, I am submitting our First Quarter Report to summarize key activities of the Hollywood Entertainment District. The first quarter has been focused upon launching some key marketing activities, made possible by the \$500,000 MTA/CRA grant. Additionally, we have lent considerable support to the Steering Committee of the Phase II HED effort in launching their petition drive.

I. Operational Issues

- During this period, George Meyer, board member representing the Hollywood Galaxy property resigned because of a job transfer.
 Robert Percival of Citicorp Real Estate, also representing the Galaxy, was elected to the Board to complete Meyer's term
- Documentation was received from the County Auditor/Controller documenting the six properties who were delinquent in their BID assessment for the 96-97 tax year. The HED Budget has been cut 10 percent for 1998 in anticipation of a similar pattern.
- In anticipation of the expansion, a joint working group was created between two members of the Phase II Steering Committee and two members of the current HED Board. The working group generated recommendations on governance, nominating, and election issues for an expanded BID board of directors. These recommendations will form the basis of bylaws changes if the BID expansion becomes a reality.

 An annual report for the 1997 calendar year was prepared and mailed to all property owners and to the city.

II. Security

- The contract with Burke Executive Security and Investigations was extended through December 31, 1998.
- During this period, approximately 64 individuals were arrested by the HED Security Patrol. Homeless individuals were referred to the Foundation House Cold Wet Weather Shelter on LaBrea.

III. Maintenance

 Sharyn Romano, executive director of the Hollywood Beautification Team, met with the Streetscape Committee to provide an update on current cleaning issues. The Committee has recommended a series of six maintenance "check-points" for the daytime porter to sign in to ensure that all corners of the BID are being serviced.

IV. Streetscape Issues

- As a result of aggressive enforcement by the Public Works Street Use Division, all illegal A-frame signs, newsracks and merchandise displays have now been eliminated from the sidewalks in the BID.
- The Building and Safety sign inspectors conducted another sweep in the BID in early February, identifying any new sign violations and following up on order that had been issued in the fourth quarter of 1997.
- The Bureau of Public Works, Department of Engineering, approved on March 17, 1998 the initial application filed by six cafes within the BID for a revocable permit to allow street dining. The cafes now have complete the application process within 180 days.
- The BID initiated contact with the CRA and the Bureau of Public

Works Street Use Division to see if the concrete "rent-a-benches" currently out at the bus stops could be replaced with 16 wrought-iron black benches originally purchased as part of the CRA's demonstration project and currently in storage.

V. MTA/CRA Grant

- In January, web designers who responded to the HED's RFP were interviewed, and Lightray Productions was selected. The total cost of the website upgrade will be \$7,000 and should be complete by June.
- The Chamber's Historic Signs program was officially launched on March 18 with a press conference and Mayor Richard Riordan and Councilmember Jackie Goldberg participating. Through the MTA/CRA grant, the BID was the major contributor.
- Visitor's Guide and Map to the HED: the HED provided leadership to form a Marketing Co-op consisting of hotels, restaurants and attractions within the BID. The Co-op has developed plans for a Visitor's Guide and Map to the HED which will also feature the Historic Signs. Restaurants, attractions, shops and hotels will be given the opportunity to participate in the program by purchasing a "coupon slot" for \$1,000 or prominent positioning on the map for \$500. The BID will match contributions to the project on a 1:1 matching basis, using MTA/CRA funds. The map will go into design in April and will be ready for distribution in early June.
- Requests for Proposal were issued in early January for an
 economic benchmarking study to be financed by MTA/CRA funds.
 Three finalists were interviewed by the Marketing and PR
 Committee, and Economics Research Associates (ERA) was
 selected to conduct the study. ERA will measure the following
 types of indicators: sales tax revenues, assessed valuation,
 attraction revenues, pedestrian counts and the like. The study
 should be completed by the end of the second quarter.
- Funds from the MTA/CRA grant were used to co-sponsor the Chamber's annual economic development breakfast in March.
- Allocating funds from the MTA/CRA grant, the Board voted in

support of replacing the current Ficus trees with Queen Palms within the MetroRail street restoration area. The BID will pay up to \$25,000 toward this replacement.

VI. BID Expansion

- The Phase Ii Steering Committee finalized decisions about boundaries in January and decided to include apartment buildings at a reduced rate. They made decisions about special assessment considerations for high rise properties (e.g., a discount for the floors above the fourth) and apartments (e.g., assessed at 50 percent the commercial rate) and non-profit housing development corporations (e.g., assessed at 10 percent the commercial rate).
- A Management District Plan was mailed to all property owners in the proposed area in early March. A general meeting for all property owners was conducted on March 18, 1998. This represented the launch of the petition drive.

VII. Other

- During this period, Kerry Morrison spoke to the Hollywood Coordinating Council monthly luncheon (January); the International Tour Management Institute conference (January) and the Hollywood Chamber Economic Development Breakfast (March).
- A survey distributed to property owners, property managers and business owners was tabulated and the results released in January. It documented that overall, 93 percent of the respondents felt that the overall appearance of the HED area had improved in the first year. Favorable findings were also reported in the area of security and maintenance impact.
- The Board met with a producer of a proposed New Year's Eve event planned for 1998.

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